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BEFORE THE DIVISION OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

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IN THE MATTER OF TENTATIVE

DECISION TO APPROVE A REVISED

LARGE MINING AND RECLAMATION

PLAN FOR SF PHOSPHATES LIMITED

COMPANY'S TAILINGS DISPOSAL

AREA AT THEIR VERNAL PHOSPHATE

MINE, UINTAH, COUNTY, UTAH

NOTICE OF TENTATIVE

DECISION TO APPROVE

NO. M/047/007

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THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION, MINERAL AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN SECTIONS 31 AND 32, TOWNSHIP 2 SOUTH, RANGE 22 EAST; SECTION 36, TOWNSHIP 2 SOUTH, RANGE 21 EAST; SECTION 1, TOWNSHIP 3 SOUTH, RANGE 21 EAST, AND SECTIONS 5 & 6, TOWNSHIP 3 SOUTH, RANGE 22 EAST, SLBM, UINTAH COUNTY, UTAH.

Notice is hereby given by the Division of Oil, Gas and Mining of its tentative decision to approve the revised Large Mining Operations Notice of Intention for SF Phosphates Limited Company's Tailings Disposal Area at their Vernal Phosphate Mine. Revised mining activities will affect the following area: Portions of Sections 31 & 32, Township 2 South, Range 22 East, Section 36, Township 2 South, Range 21 East, Section 1, Township 3 South, Range 21 East, Sections 5 & 6, Township 3 South, Range 22 East, SLBM, Uintah County, Utah.

SF Phosphates Limited Company has submitted a revised permit application to expand their existing tailings disposal area. The operator will employ the following mining and reclamation techniques on approximately 202.2 acres of private land and 23.8 acres of federal land. This acreage is in addition to a 365 acre tailings disposal area which was previously permitted and approved.

During Operations: Tailings material will continue to be placed into the expanded impoundment area until the mine reserves have been exhausted. The existing tailings dam will be enlarged and raised in stages or lifts using established impoundment construction techniques, ultimately affecting an additional 226 acres of land. Because the impounded process waters will inundate the majority of the tailings area, concurrent reclamation activities will be limited. Some reclamation of the tailings disposal area is being planned where practical during operations. Test plots will be established to gain experience with direct revegetation of the tailings surface, and to determine the optimum mix of amendments for final reclamation.

After Operations: Vegetation in the form of a nurse crop will be established as the dewatering of the tails proceeds. Two to three years after the nurse crop seeding is completed, heavy equipment can be used to regrade the surface, till in the nurse crop and apply the final seed mix with appropriate amounts of fertilizer or mulch.

The person representing the company is Mr. Chris McCourt; Phone (435) 789-2944. SF Phosphates Limited Company is fulfilling obligations under the Utah Mined Land Reclamation Act of 1975, Utah Code Ann. §40-8-18.

Any person or agency aggrieved by this tentative decision to issue approval is hereby requested to submit written protest within thirty (30) days of the date of publication to Mary Ann Wright, Associate Director of Mining, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801, setting forth factual reasons for the complaint. If no responsive written protests are received by the Division within 30 days after the last date of publication, the tentative decision of the Division will be final.

DATED THIS 17 day of December, 2001.

STATE OF UTAH DIVISION OF OIL, GAS AND MINING

Swell P. Braxton

Director

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing Notice of Tentative Decision to Approve the Large Mining Notice of Intention for SF Phosphates Limited Company's Vernal Phosphate Tailings Disposal Area, M/047/007 to be sent via facsimile, electronic mail, or mailed by first class mail, postage prepaid, the day of December, 2001 to:

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CERTIFIED RETURN RECEIPT Chris McCourt SF Phosphates Limited Company 9401 North Highway 191 Vernal, Utah 84078-7802

Dave Haslem Uintah County Planning and Zoning 147 East Main Vernal, Utah 84078

Pete Sokolosky Bureau of Land Management Vernal Field Office 170 South 500 East Vernal, Utah 84078

Joelle Burns, Secretary